

**STATEMENT OF
COMMISSIONER BRENDAN CARR**

Re: *Connect America Fund*, WC Docket No. 10-90; *ETC Annual Reports and Certifications*, WC Docket No. 14-58; *Establishing Just and Reasonable Rates for Local Exchange Carriers*, WC Docket No. 07-135; *Developing a Unified Intercarrier Compensation Regime*, WC Docket No. 01-92.

Two months ago, I visited a community that Business Insider lists as one of eleven cities “millennials have moved to in droves over the past few years.” It has a bespoke and popular bike share network, of course. And not surprisingly, it has a thriving tech and startup scene with gigabit speed broadband. In fact, year over year, venture capital funding just increased by nearly a billion dollars across the region. It’s not Seattle or San Jose. It’s Fargo, North Dakota, which is part of the Midwest’s growing “Silicon Prairie.”

In Fargo, I met with entrepreneurs in one of the cities’ startup spaces who are developing IoT and other cutting-edge technologies—one project they’re working on is setting up the first fully autonomous farm. Up the road, I visited one of country’s leading research and development facilities for drones and unmanned aerial systems. And just down the Red River, I met with some of the largest job creators in the small town of Abercrombie. This included a visit with Tom and Rory, who run a food processing and packaging plant. They told me the same thing I heard on every stop across the Silicon Prairie—their jobs and their businesses simply would not be there today without high-speed Internet access. So when we talk about bringing more broadband to more Americans, we’re talking about all of this innovation and all of this economic opportunity that broadband enables.

Our Universal Service Fund is a key part of the solution in communities like this—communities where low population densities and high deployment costs erode the private sector business case. That’s why my office pushed hard for the Commission to adopt this order and to provide the sufficient and predictable levels of support that ISPs serving rural America need to deploy broadband. So I would like to thank the Chairman for bringing this order forward and taking my feedback into account in doing so. In particular, I’m glad that:

- We provide revised model offers, which will enable greater deployment in areas served by the first A-CAM offer;
- We give more carriers an opportunity to opt into a second A-CAM offer, which will allow more carriers to take advantage of incentive-based regulation;
- We provide stability and predictability to legacy rate-of-return carriers by adopting a long-term term budget accompanied by increased deployment benchmarks; and
- By increasing the deployment benchmarks to 25/3 for all rate-of-return carriers, we will bring the benefits of high-speed broadband to even more rural communities across the country.

This decision will have a real impact on extending broadband and economic opportunity in rural communities throughout the country. So I want to thank the staff of the Wireline Competition Bureau as well for your hard work on this item. It has my full support.